MULTIMEDIA UNIVERSITY

STUDENT ID NO

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FINAL EXAMINATION

TRIMESTER 3, 2016/2017

BHR2834 – HUMAN RESOURCE MANAGEMENT

(All sections / Groups)

29 MAY 2017
2.30 p.m. – 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of TWO (2) pages, excluding the cover page.

2. There are THREE (3) questions in Section A, and THREE (3) questions in Section B. Attempt ALL questions. The distribution of marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

SECTION A: CASE STUDY (40 MARKS)

Instruction: Read the case carefully and answer ALL THREE (3) questions at the end of the case. Your answers should not be limited to the content of the case.

Loafers at Lakeside Utility Company

Lakeside Utility Company provides electrical power to a county with 50,000 households. Pamela Johnson is the manager in charge of all repair and installation crews. Each crew consists of approximately seven employees who work closely together to respond to calls concerning power outages, fires caused by electrical malfunctions, and installation of new equipment or electric lines. Fourteen months ago Johnson decided to implement a team-based incentive system that will award an annual bonus to each crew that meets certain performance criteria. Performance measures include indicators such as average length of time needed to restore power, results of a customer satisfaction survey, and number of hours required to complete routine installation assignments successfully. At the end of the first year, five crews received an average cash bonus of $12,000 each, with the amount divided equally among all crew members.

Soon after Johnson announced the recipients of the cash bonus, she began to receive a large number of complaints. Some teams not chosen for the award voiced their unhappiness through their crew leader. The two most common complaints were that the teams working on the most difficult assignments were penalized (because it was harder to score higher on the evaluation) and that crews unwilling to help out other crews were being rewarded.

Ironically, members of the crews that received the awards also expressed dissatisfaction. A surprisingly large number of confidential employee letters from the winning teams reported that the system was unfair because the bonus money was split evenly among all crew members. Several letters named loafers who received "more than their share" because they were frequently late for work, took long lunches and frequent smoking breaks, and lacked initiative. Johnson is at a loss about what to do next

Source: Gomez-Mejia, L. R., Balkin, D. B., & Cardy, R. L. (2010). *Managing Human Resources,* 6th Edition, Global Edition, Pearson Education, USA, pp. 396-397.

a) Describe in detail the differences between short term and long term incentives. Include an example of each.

(10 marks)

b) Discuss any major issues or problems concerning the design and implementation of pay-for-performance systems at Lakeside Utility.

(15 marks)

c) Sometimes managers need to reinforce positive behavior but cannot turn to a cash incentive to do so. Suggest some positive reinforcement rewards that a manager could use on a day-to-day basis to reward employees.

(15 marks)
[Total: 40 marks]

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SECTION B: ESSAY/STRUCTURED QUESTIONS (60 MARKS)

Instruction: There are THREE (3) essay questions. Answer ALL questions

QUESTION 1

(a) A human resource manager needs to develop job specifications for a new position at her firm. She can either base the job specifications on statistical analysis or on common sense. Briefly describe each method, and recommend which method the HR manager should use.

(10 marks)

(b) Discuss the advantages and disadvantages associated with using internal sources of job candidates

(10 marks)

[Total: 20 marks]

QUESTION 2

(a) In a brief essay, discuss the use and effectiveness of cognitive tests versus work sampling techniques for employee selection.

(8 marks)

(b) Describe at least FOUR (4) ways organization can work to boost the retention of employees.

(12 marks)

[Total: 20 marks]

QUESTION 3

(a) Explain the difference between line authority and staff authority. What type of authority do human resource managers usually have?

(5 marks)

(b) George Clooney has recently been hired as the vice president of marketing at Giga Toys, a mid-size firm that specializes in classic wooden toys. The Chief Executive Officer (CEO) of Giga Toys wants to expand the firm's presence in the toy market, which is highly competitive. As a result, the marketing department's budget has been significantly increased. George plans to use some of the additional funds to hire a new media planner. George is considering the idea of conducting a structured situational interview in the hiring process. Discuss the THREE (3) main types of questions that are frequently used in structured situational interviews. Explain the purpose of each question type and provide an example of each.

(15 marks)

[Total: 20 marks]

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